BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE

IN THE MATTER OF: )
) No.: 07-070
WAUSAU BUSINESS INSURANCE COMPANY )

ORDER ADOPTING EXAMINATION REPORT WITH
MODIFICATIONS AND DIRECTIVES

Pursuant to Tenn. Code Ann. §§ 56-8-107 and 56-1-401, et seq., and the Insurance
Division of the State of Tennessee Department of Commerce and Insurance (hereinafter referred
to as the “Division”) has examined certain affairs of Wausau Business Insurance Company
(hereinafter also referred to as the “Company”), an insurance company domiciled in the State of
Wisconsin. As a result of an examination conducted for the period of January 1, 2001 through
December 31, 2005, the examiner-in-charge filed with the Division, on the 28th day of
December, 2006, a verified, written report on the examination, and a copy of that report has been
sent to Wausau Business Insurance Company. (The Market Conduct Report on Examination of
Wausau Business Insurance Company is attached hereto and marked as Exhibit A). The
Division received a written rebuttal to said examination report from the Company on September
26, 2007 (A copy of the Company’s written rebuttal is attached hereto as Exhibit B).

Pursuant to Tenn. Code Ann. § 56-1-411, said examination report regarding the affairs of
Wausau Business Insurance Company, filed with the Insurance Division of the State of
Tennessee Department of Commerce and Insurance on the 28th day of December, 2006, is hereby
ADOPTED with the following MODIFICATIONS and DIRECTIVE:

The Report on Examination is hereby MODIFIED by adding the following language to
the last sentence of the paragraph that precedes table G3-5 on page 10: “if the date of payment
was more than forty-five (45) days after the notice of injury."

The Company is DIRECTED to comply with Tenn. Code Ann. § 56-8-104(8)(A)(xi) by complying with the standards set forth in Tenn. Code Ann. § 50-6-419 and Tenn. Comp. R. & Regs. 0800-2-14-.07(1), requiring medical costs owed under the Tennessee Workers’ Compensation Law to be paid within forty-five (45) days of receipt of bill or invoice.

The adoption of this examination report shall not preclude the Department from imposing sanctions against Wausau Business Insurance Company for potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report With Modifications and Directive merely to adopt the examination report filed by the examiner-in-charge.

It is so ORDERED.

ENTERED this the 17th day of October, 2007.

Leslie A. Newman
Leslie A. Newman, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

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